

ARTICLE APPEARED
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Spring 1985*Richard Stubbing*THE DEFENSE PROGRAM:
BUILDUP OR BINGE?

Over the past four years, President Ronald Reagan and his national security team have succeeded in rewriting the context of the defense debate. The need for a massive defense buildup has been accepted; the only open question is the future rate of growth. In budgetary terms, the impact of this buildup has been dramatic. Excluding inflation, the 1985 defense budget approved by Congress is 51 percent higher than five years ago, reflecting a remarkable \$330 billion in cumulative real growth since 1980. During the same period federal support for domestic programs, excluding interest payments and entitlement programs (retirement, health care, unemployment), declined by over 30 percent. In the recently submitted budget request for 1986, President Reagan has proposed to continue this transfer of funds from domestic programs to defense. His budget accords the Pentagon a further increase of six-percent real growth—while many domestic spending programs have been slated for major cutbacks.

Following the election in November 1980, former Defense Secretary Melvin R. Laird offered the following advice to the incoming Reagan team: "The worst thing that could happen is for the nation to go on a defense spending binge that will create economic havoc at home and confusion abroad, and that cannot be dealt with wisely by the Pentagon."¹ The Reagan Administration chose not to heed Laird's warning.

Rising defense budgets have been a major factor in the federal deficit crisis, and the defense program, together with its supporting rhetoric, has had some disturbing foreign policy implications. Relations with the Soviet Union in the last several years have deteriorated, and arms control negotiations came to a standstill during the first Reagan term. Relations with our European allies have also been strained. It is the last part of Laird's warning, however—that our defense establishment could not manage rapid budget increases effectively—which is of concern in this article.

Since 1980 we have heard much discussion of the broad budgetary and foreign policy implications of the Reagan buildup, but too little attention has been paid to the real nuts and bolts of our defense program. Was the buildup militarily necessary or not? Are significant military improvements being attained or is our money being squandered? After \$330 billion of real growth in Pentagon spending, these are legitimate questions.

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In strategic nuclear forces, the United States has today a decided, although narrowing, edge in deliverable nuclear warheads—reflecting U.S. emphasis on multiple warheads for its missiles since the early 1970s. The Soviets have a clear advantage in the size and the number of missile launchers, reflecting heavy Soviet missile and silo production since the mid-1960s; at the same time the United States ended its construction of new strategic submarines and missile silos. Our land-based missiles (about 25 percent of the U.S. strategic warheads) are growing more vulnerable, but the much more survivable air and sea legs of the strategic triad leave us with a substantial nuclear deterrent. The Soviets, on the other hand, maintain about 75 percent of their strategic power in land-based ICBMs; these missiles are also growing in vulnerability.

The capability of U.S. naval forces, with their massive edge in carrier forces, far exceeds that of the Soviet navy. The United States maintains 13 large deck carriers (65,000 tons or larger) equipped with the most modern aircraft in the world as well as 12 smaller deck carriers (under 40,000 tons). The Soviets, by contrast, maintain only five smaller carriers (under 45,000 tons). Like the smaller U.S. carriers (officially called amphibious assault ships), the Soviet carriers can only accommodate vertical take-off jets and helicopters. Overall, the U.S. surface navy has 206 combatant ships exceeding 2,000 tons—the Soviets have only 141 (a 46-percent U.S. advantage).⁵ The Soviets do have a large numerical edge in attack submarines, but their submarines are much louder and more easily detected than U.S. counterparts; U.S. forces also have an overwhelming edge in antisubmarine technology. Soviet submarines, moreover, have limited access to the oceans from their naval bases.

The naval balance tilts further in our favor when the allies of the two powers are considered; our European and Asian allies have large naval forces while the Soviet allies have almost none. Our greater naval capability must, however, answer to a larger mission—that of controlling long sea-lanes and projecting power ashore—than the Soviet mission of challenging that control.

The balance of ground forces in Europe favors the Soviets and their Warsaw Pact allies—although the wartime reliability of these East European nations is suspect. The Soviets derive their strongest military advantage from armor and continue to outproduce the West in tanks and other armored equipment. The United States and NATO forces, however, have superior antitank missiles, mines and tactical aircraft for use against Soviet tanks; NATO would also have the advantage of fighting from defensive positions. Predictions about the outcome of a Warsaw Pact conventional assault on Western Europe, of course, vary widely. Most experts agree, however, that the chance of such an attack is remote.

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U.S. tactical aircraft remain at least one generation ahead of the Soviet Union in air combat and ground attack capability, but Soviet production of new aircraft in the past decade exceeds that of the United States. The qualitative advantage of U.S. equipment was clearly demonstrated in the 1982 Lebanon war where the Israelis, using American-supplied military equipment, shot down over 80 Syrian MiGs and destroyed 18 missile batteries—without losing a single aircraft themselves. (The skill of Israel's pilots was also a major factor in this record.) On the other hand, the loss of two U.S. Navy attack aircraft in one day over Lebanon in 1983 suggests a vulnerability problem for U.S. aircraft against surface-to-air defenses. The Warsaw Pact and NATO nations have roughly the same number of available tactical aircraft; NATO pilots receive more extensive training each year than their Soviet counterparts.

Given our inability to define a precise net military balance between the United States and the Soviet Union, an undue amount of attention has been assigned to comparisons of estimated military spending levels. President Reagan has been particularly effective in using this argument to portray an aggressive Soviet military buildup. Spending comparisons contain several serious flaws, however, which tend to be overlooked.

Estimates of Soviet military spending reflect difficult assumptions about the efficiency of Soviet weapons production and the pricing of Soviet military manpower; both of these factors are open to large uncertainties. In recent years, the rate of growth in Soviet defense spending has been a source of serious dispute within the intelligence community. Both CIA and Defense Intelligence Agency analysts now agree that growth in Soviet defense spending has been only two percent annually in 1976-82 (in parallel with an overall Soviet economic slowdown).

In addition, if the impact of defense spending by U.S. and Soviet allies is taken into account, the gap is completely reversed; the United States and its NATO allies have always outspent the Soviets and their Warsaw Pact allies, although the gap did narrow in the late 1970s. Meanwhile 10-15 percent of Soviet spending is directed toward defense of the 3,000-mile border with China. Such factors underline the limited value of simple U.S.-Soviet dollar comparisons—unfortunately they are seldom mentioned in the political rhetoric.

In summary, although the trends in recent years show that the Soviets have improved their military capability relative to the United States and NATO (primarily through higher production rates of new weapons than those of the United States), American military forces, together with those of our allies, continue to provide a powerful capability against our potential adversaries. The dire state of the military balance portrayed by the Reagan Administration was clearly overstated.

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Critics of wasteful defense spending practices were encouraged in 1981 when Caspar Weinberger was appointed secretary of defense. Weinberger had a reputation as a tough manager and budget trimmer. Thus, improving the Pentagon's management process seemed a major part of the incoming Reagan Administration's defense program.

After four years, the Administration's record in improving planning and management in the Pentagon has been poor. The current leadership has been hesitant to interfere with or override the budget decisions of the military services. In April 1981, Deputy Defense Secretary Frank Carlucci issued a set of 31 initiatives to reform the weapons acquisition process. As a political device, the initiatives were successful in aiding the 1981-82 budget increases as they sailed through Congress. In their stated goal of improving the acquisition process, however, the initiatives have been unsuccessful.

When it comes to dealing with the larger issues of Pentagon management, Secretary Weinberger's laissez-faire leadership style has allowed major problems to go unchecked. Weinberger has declined to require or motivate the services to redress the problems of antiquated doctrines, overreliance on high technology weapons or interservice rivalries. Instead, the services have largely been given a free hand in their rapidly increasing budgets; much of the money has gone toward buying marginal programs, which were not approved in days of tighter fiscal discipline, and to higher prices for the items being purchased.

The Reagan Administration has emphasized dollars as the medium for countering a perceived Soviet military advantage. Yet, if there was a window of vulnerability in 1980, it had little to do with ICBMs and nuclear blackmail; instead it lay in our disturbing inability to compete with the productivity of the Soviet defense effort. While the United States and its NATO allies continue to outspend the Soviet bloc, the Soviets and their Warsaw Pact allies have clearly outperformed the United States and NATO in weapons produced over the last decade. While perceptions in the United States have been of an ag-

gressive Soviet military buildup, the real source of danger—the real window—has been the serious internal managerial, leadership and political problems which continually sap our military strength, leaving us spending an ever-increasing portion of our budget on defense with far too few defense posture improvements from the effort. These problems have received little attention in the Reagan defense program.

Fortunately, concern about the effectiveness of U.S. defense spending has been growing among prominent defense experts outside the Reagan Administration. Many congressional representatives and defense analysts, as well as a growing number of former secretaries of defense and military service chiefs, have begun to argue in recent years that spending alone cannot cure the military problems we face.

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A number of proposals have emerged in the current defense debate, including:

- reform of the Joint Chiefs of Staff, to increase interservice cooperation and to improve the quality of military advice provided to civilian leaders.
- reform of the defense budget process, with increased cooperation between Congress and the executive branch in the early stages of the budget process. As a first step, the president and the Congress should agree to shift the defense budget cycle from an annual to a biannual process.
- measurement of the budgetary trade-offs within the varied programs affecting national security; additional increments for budgetary programs such as intelligence or economic assistance might be more effective than added military spending in reducing tensions or preventing future crises.
- reexamination of the fighting doctrines of the military services; the future roles of aircraft carriers, strategic penetration bombers and any heavy, versus light, divisions all need to be thoroughly reviewed.
- increasing competition in defense purchases; no more than one-third of defense contracts is awarded in a truly competitive manner. The techniques are clear: more prototype competitions for new weapons, buying a single weapon from two separate contractors, and forcing recompetition in follow-on contracts for spare parts and modifications.
- reexamination of manpower requirements, the military pay and retirement systems, the unneeded domestic bases and the vast array of small procurement programs, which

all offer a multitude of opportunities for savings with no adverse impact on U.S. military capabilities.

Inevitably such proposals challenge powerful and entrenched interests in the military services, the Congress, the civilian Defense Department bureaucracy and the defense industries. Positive changes are difficult to implement—but certainly not impossible. The answer lies in strong leadership.

While the Pentagon's internal problems did not begin with the Reagan Administration, the current team has largely failed in its efforts to address them—mainly through a lack of effort. The President and Secretary Weinberger have chosen to give first priority to increasing the Pentagon's budget—with resource allocation decisions and management responsibilities delegated to the services. In choosing this direction, they have badly misread the problem. The Soviet threat, while serious, was nowhere near grave enough to warrant the furious budget

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buildup the nation saw in 1981-85, and by ignoring internal management issues in this era of rapidly rising defense budgets, they have allowed fiscal discipline in the Pentagon to erode. The result has been that Americans are paying far too much for defense and receiving far too little security in return.

¹ Melvin R. Laird, "Not a Binge, But a Build-up," *The Washington Post*, November 19, 1980, p. 17.

⁵ *Jane's Fighting Ships 1984-85*, New York: Franklin Watts, 1984, pp. 517-538, and *The Military Balance 1984-85*, London: International Institute for Strategic Studies, 1984, pp. 7, 20.

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